Approved For Release 2006/01/03: CIA-RDP46B00403R000500120003-9

U.S. Didn't Plan Pigs Bay Air Cover, Bobby Kennedy Reveals in 'Autopsy'

Robert Kennedy Breaks Silence Cuba Fiasco

David Kraslow of our Washington Bureau obtained the first official statement of the U.S. role in the Cuban invasion. His report is based on the official "autopsy" of the Bay of Pigs invasion tragedy. The following account stems from an exclusive interview Kraslow had with Attorney General Robert F. Kennedy. The attorney general conducted the coro-ner's laquest into the Cuban invasion fiasco on behalf of his brother, the President.

By DAVID KRASLOW Of Our Washington Bureau

(Copyright, 1963, Knight Newspapers, Inc.)

WASHINGTON -- No U.S. air cover was ever planned or promised for the Bay of Pigs invasion of Cuba in April 1961, Robert Kennedy says.

Nor was the inability to control the skies the only thing which doomed the U.S.-backed Cuban refugee brigade.

There were several "major mistakes." Perhaps 10 times as many men were required for a successful opera-

Kennedy insisted repeatedly that responsibility for the failure rests with the President. But it seems clear that the Pentagon and the Central Intelligence Agency, both of whom approved the invasion plan, virtually ig when President Kennedy took office in January 1961.) nored what proved to be a crucial element in Eidel Castro's arsenal.

These and other disclosures by the attorney general, made in an interview requested by The Knight Newspapers, broke the Kennedy administration's long silence on one of the most embarrassing episodes in American his-

officially acknowledge this government's role in the attempt to liberate Cuba, to explain what went wrong. For some 20 months, while the Cuban refugees who

ruth Behind Guboniluvasion

were crushed at the Bay of Pigs languished in Castro's prisons, the President chose restraint rather than retort.

Now, largely because the ransomed prisoners are free in the U.S., the Kennedy administration feels it can reply to what it regards as grossly inaccurate accounts — published and spoken — of the Bay of Pigs disaster.

Few people can match Robert Kennedy's knowledge of the affair. At the direction of the President, he and three others performed the autopsy. The report of their investigation led to shakeups in the CIA and the Pentagon.

During the interview, Kennedy referred critically to several national magazine articles which purported to tell the inside story of the Bay of Pigs.

One widely held belief is that the President reneged at the last moment on promised U.S. cover for the invaders, and that this guaranteed failure.

"There never was any plan to have U.S. air cover," Kennedy said. "There wasn't any promise. Not even under Eisenhower was American air cover in the picture."

(The recruitment and training of Cuban refugees for an invasion of their homeland was begun in the Eisenhower administration. A force was already in being

"From the beginning the President said no American forces would take part in the operation. It was made absolutely clear that under no condition, under no condi-

CONTID.

Comments Specien for Release 2006/01/03: CIA-RDP66B00403R000500120003-9

It must be presumed that Robert Kennedy had the approval of the President to speak for the record, to

cans be used in the invasion, the attorney general said.

*

"And it simply cannot be said that the invasion failed because of any single factor. There were several major mistakes. It was just a bad plan. Victory was never close.

"A great deal more gunpowder and material was needed. Pepe San Roman (Jose A. Perez San Roman, the brigade commander who visited the attorney general in Washington recently) says they might have succeeded if they had had 15,000 men instead of 1,500.

"And all 1,500 fought bravely," Kennedy emphasized. investigation showed The that they all fought with such determination and courage that this is how I became so committed to freeing them. These were not mercenaries. These are brave volunteers with a mission to free their country."

The bitterly ironic, and vital role played by three or four T33 jet trainers at the Bay of Pigs relates to one of American plan.

It was ironic because these were American planes, given former Cuban Dictator Fulgencio Batista and inherited by Castro when the Batista regime collapsed.

It was vital because the T33s easily mastered the only air cover which Kennedy said had been planned for the in- said.

The T33 is a training plane. But armed with rockets, it proved to be a highly effective instrument of war at the Bay of Pigs.

"We underestimated what a T33 carrying rockets could do," Kennedy said. "It wasn't given sufficent thought. They caused us a great deal of trouble."

One possible explanation for the apparent misconception on the question of U.S. air cover has to do with the presence of American warships, including an aircraft carrier, in the vicinity of the Bay of Pigs.

If the ships transporting the invaders from Nicaragua were spotted by Cuban planes before they reached the target area, they had orders to turn back.

If the ships were attacked on the high seas on their way back. to Central America, Kennedy said, the American forces in the area were under understanding always, accept-orders to give themproyed dor Release, 2006/01/03: CIA-RDP66B00403R000500120003-9 tion.

tion whatsoever wor Approved For Release 2006/01/03 -CIA-**66BG04Q3尺Q**00500120003-9

> Kennedy said the invaders got all the air cover the plan called for." But the second of two planned advance raids by B26s intended to knock out Castro's air force on the ground was postponed, he said.

THE FIRST RAID, on Saturday April 15, was not "very successful," he said. It didn't do anywhere near the damage the planners had hoped

(When the raiders landed their E26's in South Florida later that day, a "cover" story was distributed through the Immigration Service in which the pilots said they had just defected from Castro's air force.)

Not only was the element of surprise now gone insofar as the second strike was conthe "major" errors in the from the first raid were loud and immediate.

> "The President received one call (Robert Kennedy would not identify the caller, but said it was not UN Ambassador Adlai Stevenson) informing him that the first raid was causing us serious problems at the U.N. and elsewhere," the attorney general

> "It was suggested that the second raid be postponed. That raid was to take place early Monday morning (April 17 — the day of the invasion).

"THE PRESIDENT said that if those who had the responsibility for the plan had strong objections to postponing the raid, they should let him know. No strong objections were registered.

"The raid actually was made later on Monday, after the invasion was under way: It did not accomplish much."

Kennedy confirmed that the invading force appealed to the U.S. warships for help when they were pinned down on the beach. He declined to say whether the appeals were relayed to the President.

"The decision was made that there would be no change in the ground rules," Kennedy said. "There had been a firm

would be no U.S. forces in the invasion under any condition. We stayed with that."

Why, he was asked, since the prestige of the U.S. was committed, did the President not also commit American forces from the beginning to insure success for the opera-

tion?, "If it was just the Cuban problem alone," Kennedy said, "there would have been no difficulty. We would have ended it right there.

*

"BUT THE BERLIN issue was in a critical stage at the time. And there were difficulties in Viet Nam and Laos, among other places. We just could not commit our forces in Cuba. Even in retrospect, I think this was the wise de-

Kennedy said no invasion plan had been completed durcerned, but the repercussions ing Eisenhower's term. "There was just a general concept," he said. "The logistics and the details were worked out after the President took office.

> "The President has taken responsibility for the failure and that's as it should be. He approved the plan. But it's not true that he sat down. with two or three civilians and worked out this plan at the White House.

The plan that was used was fully cleared by the CIA and the Joint Chiefs of Staff. . It was war-gamed at the Pentagon in whatever manner' they do these things.

"The President inherited people with major reputations government. and he accepted their advice.

air cover at the beach, That invasion (Reports circulated was a mistake. There were neig after the ransomed prisoners

enough men and equipment. That was a mistake. Underestimating the T33s - that was a serious mistake. The planning was inadequate, just inadequate."

THE STRATEGY behind the invasion, Kennedy exthat a Cuban government-in- terest."

exile could function on Cuban soil. Kennedy did not say, but presumably the United States later would have formally recognized that exiled govern-

Kennedy also said that no "There was not sufficient Americans were killed in the arrived in Miami that two Americans who had helped train the brigade died at the Bay of Pigs.)

> This is not the whole story. Kennedy backed off from exploring various details.

He pondered a request for additional information for several moments. "I don't plained, was to establish a think so," he said finally. "It firm enough beachhead so wouldn't serve the national in-

JAN 21 1963

U.S. News & WAPproved For Release 2006/01/03/ CIA-RDP66B00403R000500120003-9

EXCLUSIVE WITH THE ATTORNEY GENERAL





"The business community—or a good percentage of it-would rather have somebody other than President Kennedy."

ROBERT KENNEDY SPEAKS HIS MIND

The man closest to the President is his brother, Attorney General Robert Kennedy.

No major decisions are made at the White House without his knowledge and advice.

In this exclusive interview, Robert Kennedy talks about the first two years of his brother's Administration, and looks into the future.

Comments cover the full range—relations with business . . . spending and taxes . . . the Meredith affair . . . world problems . . . antitrust . . . Khrushchev, Castro and the Bay of Pigs.

Mr. Kennedy was invited to the conference room of "U. S. News & World Report" and interviewed by members of the magazine's staff.

FIRST TWO YEARS

Q Mr. Attorney General, at the halfway mark in the President's term, what do you regard as the most important accomplishments of the Kennedy Administration?

A Re-establishing the American position throughout the world. Two years ago people in the United States and the world were fully aware of what Mr. Khrushchev was doing, what Communism was doing. I think that the initiative was on that side.

This initiative partially rose out of Sputnik, from the great lift that it gave Communism and the Soviet Union. It was a trend upward for them. I think that that's been reversed now.

Q What did this country do to reverse it?

A What we've done in the United States to build our own military strength has had a major effect. I think that successes we've enjoyed in space have had an effect. Undoubtedly, the steps of the Cuban crisis in October have had an effect.

Our military strength now is recognized throughout the world. The doubling of the Polaris submarines, the increase by 75 per cent of the Minuteman, the increase in our divisions from 11 to 16, the quadrupling of our special services, the efforts that have been made to deal with counter-insurgency and guerrilla warfare-all these things have had an effect.

Q Do they affect the Russians as well?

A Yes. I think that they have an effect on our allies and have an effect on the Soviet Union and Communism. As Mr. Khrushchev said, the "paper tiger" has teeth.

Q Are they going to be able to keep up with us in this race from now on?

A I think they're really going to put great effort and energy in this field, but so will we. And we're going to have to keep up our effort.

All of this has a major effect on their analysis of the world outlook. They felt the United States was such a weak country. Further, at the start, they saw President Kennedy as only a young man who had not used the military power of the United States on Cuba as Khrushchev would have done and did do on Hungary. Based, therefore, on all of this, they felt they could bully the United States.

Q Do you think Mr. Khrushchev felt he could push the President around?

A He probably did for a while. Q Is that situation clarified now?

A It does not exist any longer. That is clear. Two or three years ago, Mr. Khrushchev, after he left the United States, compared our country to a dying, stumbling, decadent horse. I don't believe he thinks that any more. Our country is the one which has the vitality. We are the ones who have the new ideas.

I think that not only the Government has found itself, but the American people have found themselves.

Q Do you feel that the latest Cuban crisis was a lesson to the Russians?

A I think it makes a great difference because that's the first time that the power position and determination and energy of the American people and their Government-all of this had been brought to bear.

Q That was a ticklish time, wasn't it?

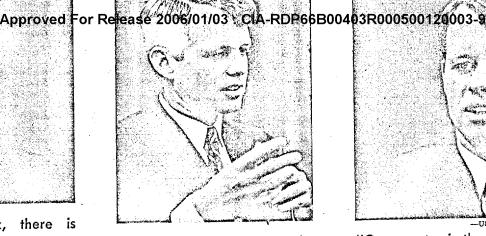
A That was a very difficult time.

Q What domestic accomplishments stand out in your mind?

A A good deal has been done for the economy without



"To be quite frank, there is tremendous advantage in having the same last name as the President of the United States."



"Racial discrimination is the biggest internal problem that we have in the United States."



"Our country is the one which has the vitality. We are the

ones who have the new ideas."

gainsaying the fact that a great deal more needs to be done. But the economy has moved out of recession and through a strong recovery—a recovery accompanied by remarkable price stability. Some of the new legislation in the tax field -the incentives for new investments by business, and the liberalized depreciation regulations-the improvements that have been made in Social Security, the minimum wage and in the housing field; the legislation that was passed for retraining of workers who have lost their jobs, and aiding depressed areas-all the work that has been done in these and other fields has been an incentive to the economy and spurred recovery.

Q Has the cost been too high in dollars?

A No. Our total output of goods and services—the gross national product-was up to an annual rate of 562.5 billion dollars for the fourth quarter of 1962-an increase of more than 12 per cent in only 21 months.

The fact that we've cut down on our balance-of-payments deficit is a gain. The deficit had been around 3.9 billion dollars a year. It's down to about 2 billion now, but it still has to be reduced further.

However, almost 6 per cent of our fellow citizens are unemployed and we are utilizing only 83 per cent of our manufacturing capacity, so a great deal needs to be done.

Our economy has not grown as fast as we had hoped that it might, and so a great deal more energy and concentration must be placed in this area.

Q We've been talking here about the accomplishments that stand out in your mind in these last two years. Could you make a similar comment on the disappointments that would stand out in your mind two years later?

A In the foreign field, the greatest disappointment is that we haven't been able to get any agreement to control nuclear

Q How about the Alliance for Progress? Would you say that was a disappointment?

A No. because we're making much more progress now. It hasn't gone as fast or as well as we had hoped. That's a tough, difficult area at best, but we've got a policy and we're moving on it. In areas it has been successful-in others, it has not.

But I think it has looked better over the last three or four months than it did before, although we're still going to have many headaches. I believe from the reports that we have received that there are some major breakthroughs in some important areas.

Domestically, I think a disappointment is that we didn't

Q Aid to education?

A Yes. We are short nearly 130,000 classrooms. With our population increasing, the need will be staggering in the coming years unless the States receive financial aid.

But it is more than that. One of the major drags on the economy has been the large number of educationally handicapped persons, while on the other hand there is a severe shortage of highly skilled workers. We need a national effort to provide educational opportunities to all who can use them and to improve the quality of education at every level and in every field.

Q What about unemployment?

A Yes, I would think also that, although the economy has moved ahead in this area, there still is a real problem. Q How about balancing the Government's budget?

A Well, of course, the budget would have been balanced if the recession hadn't existed when President Kennedy took office and if we had not put the extra effort in the fields of defense and space. As long as we want to make these increases—you know, we are spending almost as much for space in fiscal 1963, some 2.4 billion dollars, as in the previous eight years put together-there is a budget

Q Haven't nondefense expenditures also gone up rather

rapidly in the last year or two?

A Well, I think this is not correct. Between fiscal '61 and '63 about two thirds of the increases in the budget were for national security, space and fixed interest. This just does not seem to be understood.

Q Are those necessarily related? Is space the same as defense?

A Yes-at least it is in the area of national security.

WHERE COSTS WENT UP-

Q Haven't such things as public welfare, public works, civilian salaries, things of that sort, all increased rather substantially?

A They are higher, yes. That's true for the States and cities, too. The largest federal increases have been in the farm program where, if Congress had accepted our proposals, major economies could have been made.

The other increases were spread over a wide range, but the amounts were relatively small. You have to provide for resource conservation, small business, medical research, urban renewal and science. Our population increases, and ob-

. . Berlin wall "revealed to world the weakness of Communism"

viously these items will increase also. But they are certainly within reason. Further, these matters are a relatively small proportion of the budget as a whole. And we're trying to offset those increases with decreases elsewhere-such as agriculture and the postal service.

Q Would you include among disappointments the fact that the East Germans were able to put a wall across the

middle of Berlin?

A Yes. But I was thinking of things over which we had some control and where we were intimately involved. I think that the fact that they had to put the wall across Berlin revealed to the world the weakness of Communism.

The world sees that they had to build a wall to keep their own people in. I found on my trip around the world that this fact is virtually unanswerable. Communists say that they are a society that is ready to compete with ours on an equal basis, and yet they have to put a wall to keep their people from running away.

AIDE TO PRESIDENT

Q Mr. Kennedy, you've been referred to frequently as "assistant President." We wonder whether you could explain your relationship with the President in an official capacity. Do you have an office at the White House?

A · No.

Q The question comes down to whether you can describe your role in this connection-

A I think it's difficult. I'm the Attorney General, so therefore I have responsibilities of that office. I've also been associated with the present incumbent in the White House for 37 years, the first few of which were slow. Obviously, between brothers or people who have worked together and have had a relationship for a long period of time, there is understanding and trust.

Q Is it accurate to say you're the President's most im-

portant adviser?

A No. Obviously, his most important adviser in defense

Q In all fields together?

A Well, I don't think you can take all fields together. The most important adviser in defense is the Secretary of Defense, or in foreign affairs it is Mr. Rusk. I might be brought into some of these areas when the President is listening to a large number of people. The President decides what he's going to do.

Q Is your field of advice almost unlimited, though?

A No; it depends on what happens to come up.

"WE DISCUSS THINGS"-

Q Is this a fair summary: that the President has Mr. McNamara in defense, he has other people on specific matters, but your role is his top adviser on broad matters that cover all these fields?

A Well, I don't think he has any top adviser. Again, as I said, it depends on what the subject is.

Q Does he thresh things out with you?

A Yes, we discuss things. You know, we were brought up having an interest in government, having an interest in foreign affairs and in domestic matters. Over many years we

Q What relationship do you have to the State Department? When you go around the world or to Brazil, for example, are you stepping on the toes of the State Depart-

A No. Any trip I have made since I've been Attorney General has been suggested and arranged by the State

Department.

Q Do you go representing the President?

A I'm working for the United States Government, and go at the request of the Secretary of State.

Q Is there some special function to be performed?

A I could tell you why I went to each one-

Q Why Brazil?

A I was going to Panama to see the Inter-American Police Academy. The President of the United States had expressed concern as to the situation that was developing in Brazil regarding their economy and its tremendous inflation. In addition, we in the United States had found it difficult to work with a number of important officials in Brazil who had an extreme anti-U.S. bias. I received an invitation from the President of Brazil to come and meet with him. We discussed this problem.

The Secretary of State and Edwin M. Martin, Assistant Secretary of State for Inter-American Affairs, as well as Ambassador Lincoln Gordon, thought it would be helpful if we got across our position on a firsthand basis to the President of Brazil so he could understand President Kennedy's

considerable concern.

Q Did Mr. Rusk and Mr. Martin feel that our position would be handled more emphatically if you did it rather

than one of them? Was Mr. Martin with you?

A Mr. Martin and Ambassador Gordon felt this kind of talk could be helpful. It was only one step in an effort by our Government to clarify our situation with respect to Brazil.

ROLE OF THE CABINET—

Q This isn't the Attorney General's role-

A No, not in the "table of organization," perhaps. But in this Administration there has been a great deal of interaction among the members of the Cabinet. Secretary Rusk probably knows more about the Defense Department than any of his predecessors, and Secretary McNamara has greater knowledge of State Department problems than any previous Secretary of Defense. Secretary Dillon has been of considerable help in matters not relating directly to the Treasury. I think this is a strength, and I went to Brazil to assist in making sure they understood our position.

Q Has Government at your present level been greatly different from what you had imagined it to be?

A Not really, no. As far as I'm concerned, to be quite frank, there is tremendous advantage in having the same last name as the President of the United States. I know that there is, of course, red tape and all the rest in government, but as far as I am concerned, in my experience in government, I think a lot can be accomplished even when you are not related to the President-take Bob McNamara for instance. However, there's a lot more that needs to be accomplished.

Q What proportion of your time do you spend on De-

partment of Justice affairs?

A Most of my time. It depends, however. At the time of the recent Cuba matter, I spent almost all my time on that. discussed all of these matters all the time.

Approved For Release 2006/01/03: CIA-RDP66B00403R000500120003-9

.. "I don't know that businessmen will ever be in love with us"

three or four months, I split the time. So I think it depends on the projects.

Q Are there times when it becomes difficult for you by reason of the fact that you're the President's brother?

A I don't find it so. It might be for him, but it isn't for me.

CRACKDOWN ON STEEL

Q Have you improved relations with businessmen?

A I thought in February of 1962 that we had, and then came the steel dispute. The business community always has greater mistrust of any Democratic Administration than of a Republican Administration. It is an ideological reflex—obsolete, in my opinion—but that's one of the facts of life, so I don't know that businessmen, the big ones, anyway, no matter what we do, will ever be in love with us.

But I think that the relationship is one, somewhat, of mutual respect.

Q Do you feel that the atmosphere is better than it was just after the steel crisis?

A Oh, yes. I think that it couldn't have been worse at that time. So we had only one place to go-up.

I spoke before the Business Advisory Council in March, 1962. Everybody was talking at that meeting about what a good relationship had developed between Government and leaders in business, that there had been mistrust when President Kennedy first took over, but now there was this greater feeling of pleasantness and accomplishment and working together.

Then came steel, and, of course, that was disastrous to our relationship. Now I think we're back up. And I'd hope it would stay, but, as I say, I think that the business community—or probably a good percentage of it—would rather have somebody other than President Kennedy in the White House and somebody other than me as Attorney General.

Q Are you happy with the way the steel situation was handled, Mr. Kennedy?

A I don't believe the President could have done otherwise.

Q Did you feel there was more pressure used than necessary?

A I didn't. No, I thought that, looking at it at the time, going through it at the time, that's really all you could do. We had to make the effort for the reasons that the President has stated.

Q We've been told by steel-company executives that, during the steel controversy, FBI agents "fanned out" through their offices, without warrants, seeking information. Is this true, and, if so, what is the explanation for it?

Q First, no one from this Department enters anyone's office without their express permission. So there was no FBI agent in any company office unless he was told that he should enter.

Second, nothing was done in the steel case differently from hundreds of other investigations. One of the primary functions of the FBI is to make preliminary investigations in antitrust cases. In these or any other preliminary inquiry, search warrants or subpoenas are not used.

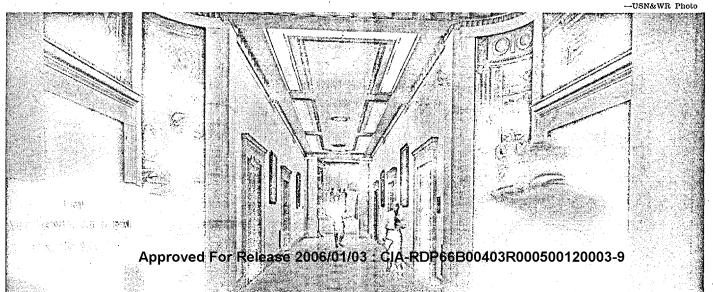
The FBI agents are carefully trained and make courteous inquiry into such situations. Further, no one is under any compulsion to answer agents' questions unless they wish to. No documents or records need be made available to agents.

No steel executive made any complaint or report to us that the agents were anything but courteous or proper in making inquiry into the steel companies. One Southwestern executive complained to a newspaper, but when we sought the specifies of his complaint from him he was unable to supply them.

Q Many people could not understand why the President and the Government were surprised at the price rise, because Mr. Blough of U. S. Steel said in an interview in this magazine a few weeks before that there was going to be a price rise. And yet everybody seemed to be taken completely off guard when it occurred—

A Well, Mr. Blough sat in a number of conferences with the President, and with Secretary of Labor Goldberg where efforts were made—which he applauded—to keep David McDonald and the steel union from asking a large increase in wages. That effort was made on the basis that there wouldn't be any rise in the price of steel. Mr. Blough never

Office of the Attorney General, under Robert Kennedy, has become a command post for a wide field of Government operations.



"We opposed less than I per cent of mergers in court"

said during that period of time, "Well, no matter what happens, I'm going to have to raise the price of steel."

Q Was he ever asked directly? Was no mention ever made of a price increase?

A There never was a direct request. However, it was clearly understood that the President's efforts with the steel union to keep its demands down were so that it would not be necessary for the steel companies to raise the price of steel based on a wage increase. As you know, pressure was placed on business after the price of steel went up. But, also, the President and Secretary Goldberg had placed tremendous pressure on David McDonald and other officials of the union to keep their demands down.

And Mr. Blough and those associated with him were well aware of that. They didn't say the Administration should stay out of this field. They applauded it, and they were kept

advised as to what was going on.

Everything was on the basis that a rise in the price of steel at that time would be harmful to the economy. So when the rise was announced, it came as a complete surprise to us.

Q That was quite a period, wasn't it?

A Yes, I don't think that the situation that followed was very pleasant.

ANTITRUST

Q Do antitrust laws need clarification?

A That is a difficult area for businessmen and those whose activities might bring them into this field. I think that antitrust laws have been very beneficial for the United States, and I think they've been beneficial to business. I believe that they're performing an important function at the present time, but I don't expect that they are perfect.

Q Businessmen at times say that they feel a punitive

attitude is involved in applying the laws-

A The same statement is always made, no matter what the Administration. We are trying to be as vigorous as we can be in enforcing the law as we are supposed to do.

Q If a businessman is involved in a merger or other transaction involving doubt about the application of antitrust

laws, can he get his questions cleared up?

A Yes. First, if he will present all the facts, in many areas he can get a letter giving the Department's view of his plans. Second, we say that, based on the facts as outlined, the company can or cannot go ahead with a proposal. If our word isn't good on that basis, we should go out of business.

Q Do the letters you give outline specific areas of approval or disapproval?

Q Are there many specific requests in this field?

A Yes, sure. A great number of them. All lawyers with antitrust questions know about the Department's policy in

Price fixing, obviously, never is approved. On the other hand, if a businessman wants to find out whether belonging to a particular association or to find if discussing certain matters would violate an area of antitrust laws, he can get advice and an indication on that.

Obviously, somebody is going to come and say, "These are areas that we do know, but perhaps something is going to happen about which we are not sure." Then that man

have to know all the facts. He can get a letter, or he can get assurance if the facts justify.

Q How long does it take to give an answer to questions

arising from antitrust laws?

A It depends on how complicated the deal is. But this happens continuously. Hardly a day goes by that requests of this kind do not come to the Department of Justice. We try to act as quickly as is necessary in each situation. We have given antitrust letters in a day in exceptional circumstances.

Q Is one of the problems here the difficulty in deciding how far a businessman can go in following a practice? Is

the issue sometimes not black and white?

A Problems often are difficult. Where there is going to be a merger or where there is going to be some action, it is difficult often to outline all of the facts as they may concern the future. But if businessmen know all the facts and can present them and talk about them, then they can get that clarification from the Department. That happens continuously.

Compliance with the antitrust laws isn't really as hard as some say it is. Out of the total of nearly 5 million businesses in the country only a minute fraction of I per cent are ever involved in antitrust difficulty. Last year, for example, we brought about 90 cases with a couple of hundred business defendants. We knew about more than 1,200 mergers but opposed less than 1 per cent of them in court.

I would point out that between 60 and 70 per cent of the complaints that we receive in the Antitrust department come from businessmen. A lot of businessmen feel that the laws are absolutely essential. An instance is the proposed merger of American and Eastern airlines. I've seen editorials that the Antitrust Division is opposed to that merger. But every other major airline in the United States was opposed to that merger.

HOW MERGERS CAN DIFFER-

Q Let's take banks: The Federal Reserve will approve a bank merger. The Comptroller of the Currency will approve it. Then your Department says that the merger violates the antitrust laws. It's the same with some proposed rail mergers-other agencies of the Government will approve, yet your Department will oppose. What is the dividing line?

A Ultimately, of course, the parties can bring the issue to court for a determination as to whether we were correct or

But it's wrong to say that bank mergers and rail mergers are in the same situation. The Interstate Commerce Commission has statutory authority to give antitrust exemption to mergers it approves. We have presented arguments to the ICC in the public interest, as the Government sees it. but we have not brought an antitrust suit against any merger approved by the ICC.

One of the major questions in the bank mergers was whether the antitrust laws applied. That's going to be decided by the Supreme Court. We feel very strongly and firmly that it does, that those laws do apply. Therefore, we think that antitrust laws and all the criteria that are set up under the antitrust laws apply to bank mergers. It's incumbent upon us, in our responsibility, to enforce the law. Now, if somebody doesn't like the law-

Q For 50 years or 60 years, 70 years, nobody has thought the antitrust laws did apply, but all of a sudden-

A Well, now, that's not 50, 60, 70 years of experience because the issues were raised under the Kefauver-Celler law that was passed just a few years ago and the bank-merger will not get a letter until the area of doubt is classified and the bank-merger Approved For Release 2006/01/63: CfA-RDP688004037000500720003960. The Supreme

"Problem of tax-exempt foundations deserves a real study"

Court is ultimately going to decide these questions. If people don't like these laws, they should seek changes. We must enforce the law.

Q Mr. Kennedy, how widespread do you think such things as price collusion rather than price competition are

practiced?

A I think these practices are widespread. A very small minority of business concerns are involved, but it's still widespread and involves some of our big corporations. It's going on at the present time, and I'm convinced that price collusion exists in almost every major community in the United States.

Q Would you say in every major industry?

A No. But we know it is occurring, unfortunately, among a large number of companies.

Q Is it more widespread among large industries and companies, or small ones, or what?

A The cases that are brought to my attention, for the most part, involve large companies.

Q Are you opposed to bigness?

A No, I'm not opposed to bigness per se-nor is the Government. We're in favor of the economy gaining, and that means our companies must grow and prosper. This is what we want.

WHEN BIDS ARE FIXED—

Q How can you have, really, much knowledge of price control? A businessman can call up on the telephone and ask somebody a price, and, when he gets that price, that can be his price. How do you get at that problem?

A That's not the problem. It's when you sit down and decide that you're going to get the Government contract this month, the next company is going to get it the next month and another company the next month. Or you're going to be the low bidder this time, he'll be the next timewhen the moon is at a quarter you'll get it, when it's half full for that month he'll get it.

Q Do you think that does go on?

A There's no question it goes on. It's going on now. It's going on continuously. And it's going on in the sale of commodities and services to Government installations across the United States. It's going on in sales of, for instance, milk to schoolchildren and schools. It's going on in every area of the United States. And I think it's most unfortunate.

Q Are you concerned about the sort of thing Congressman Patman [Representative Wright Patman (Dem.), of Texas] was talking about in his report on tax-exempt foundations-the foundations replacing the old trusts and controlling competing companies?

A It's an area that we'd be interested in. The whole problem of tax-exempt foundations deserves a real study. I think that he's performing a major service in bringing it to

public attention.

Q Do you have an impression that there is a very great deal of abuse of the tax-exempt privilege?

A Yes.

Q Does that require a law rather than an administrative action to correct?

A The question often is whether a particular organization should have a tax-exempt status-where the money is going, and whether they should lose their tax-exempt status. We got into the question to some extent when \bar{I} was counsel for the Senate subcommittee investigating labor and management. We went into labor organizations which are taxexempt. There were instances where a union's funds were used by some of these peopproved from Release 2006401/03: Che-RDR66B00403R000500120003-Deamster Local

Because it was a tax-exempt organization, none of the tax agents or authorities looked into the organizations. They said, They're tax-exempt, so therefore we're not going to get any tax, so it's just a waste of time to look into the situation."

I think that that's been the trend, and I think that Congressman Patman is performing a real service to make sure that tax-exempt organizations are not being used just as tax gimmicks for individuals to avoid payment of taxes.

Q He says that the Treasury has been lax to the point of complete irresponsibility in enforcing the law on tax-

exempt foundations-

A It's been a matter of great concern to me for a number of years, and I've expressed that to Mr. Caplin [Commissioner of Internal Revenue] and to Congressman Patman. 1 think that we're going to try to do everything that we can in the executive branch of the Government to co-operate with his efforts.

Q Has that tax-exempt field been growing?

A Yes, I believe it has.

I might say, just going back to the question of our harassment of businessmen, that I looked up the statistics and, since I've been Attorney General, we've indicted and convicted more labor leaders and those associated in the labor field-some crooked deal-under the criminal laws than we have businessmen under the antitrust laws.

HOFFA AND TEAMSTERS

Q There's one labor leader you have a lot of luck indicting, but you never seem to get a conviction-

A Touchél

Q Are you out to get Jimmy Hoffa of the Teamsters Un-

A No. But my responsibility is to see that justice is done, and I hope that justice will be done.

Q Have you set up a special unit down in the Justice Department to deal with Mr. Hoffa?

A We have a group within the Department of Justice that is working on the whole field of labor-management racket-

Q Working in what way?

A In 1962, with that group, in grand juries and investigations that have been held across the United States, we've indicted about 80 different individuals.

Q In unions?

A Yes, and people who are associated with unions in some fashion. We've convicted 44 of them in trials and five have been acquitted. Of that group, most of them are Teamster officials and those associated with the Teamsters Union.

Q What type of thing is going on?

A Well, they cover a wide range. For instance, Barney Baker, a major Teamster official who is in the Federal Correctional Institution, Sandstone, Minn., was convicted of accepting payments from an employer in violation of the Taft-Hartley Act.

William Presser, a prominent Teamster in Ohio, was convicted in 1960 for obstruction of justice, and recently that

conviction was affirmed by the Supreme Court.

Samuel J. Marroso, a former Teamster official, was convicted in December, 1962, of transportation of counterfeit Ohio Turnpike bonds in foreign commerce.

299 in Detroit was convicted in November, 1962, for violating the Taft-Hartley Act, accepting illegal payments from employers, and another pleaded guilty of the same

George Cottage, secretary-treasurer of Teamster Local 902. Detroit, was recently sentenced to three years' imprisonment for his part in the hijacking of a shipment of

In October, 1962, three officers of Teamster Local 71, Charlotte, N. C., were convicted of embezzlement of union funds and each sentenced to two years in prison.

Q Does this group in the Department find itself devoting

most of its time to the Teamsters?

A Well, we found, in the work of our committee, and since I have been Attorney General, that the corruption and the dishonesty in labor management was centered around some of the hierarchy of that union.

Q What, in your judgment, is to be the ultimate outcome

of the Hoffa matter?

A He's under indictment at the present time. I haven't discussed him since I've been Attorney General, and I don't feel I should get into a discussion now.

SPENDING, TAXES

Q Is there a problem in the fact that Government gets bigger all the time?

A Well, do you know there are fewer employes in the Federal Government now than there were 10 years ago? I found out the other day that-excluding the Post Office and the Defense Department-there are fewer people working for the Federal Government than work for the telephone

Expenditures are going to increase. Our country is expanding and costs go up as more services are required. This is the trend but it certainly does not originate with this Administration. In his eight years President Eisenhower, who had five deficit years, spent 180 billion dollars more than President Truman in the previous eight years. So this is the problem facing every President, every Administration.

Q Are we going to be able to keep on increasing, year after year, our expenditures for defense and space?

A Well, I think we are going to have to take whatever steps are necessary. You know, it's been steadily increasing. There's been criticism, but the trend in our gross national product, of course, has gone up tremendously. So I don't think that the economy is in any great danger.

Q What are the chances for a major tax cut this year, in

your personal opinion?

A I think we have a good chance for it. The basic problem is that, for more than five years, we've had relatively high unemployment, low profits and our productive capacity has not been used fully. The President believes that the best way to remove the drag on the economy and foster growth toward full employment is to lighten the tax burden. There is growing understanding of the problem and a will to deal with it, so I am optimistic the tax bill will

Q On a compromise basis?

A Yes. Obviously, you're not going to get everything the President wants. .

Q How fast can a cut be made effective?

I don't know. I just don't know.

Q Mr. Kennedy, if the President's advisers are correct

it almost a political necessity that he get a tax cut effective reasonably soon so the effect will show up by '64, so you can achieve the economic gains that you have promised?

A I think, for the benefit and good of the country, that the

tax cut should come as quickly as possible.

CIVIL RIGHTS

Q Do you think James Meredith is going to stay at the University of Mississippi?

A I hope he does, but I have some serious questions as to whether he will or not. The chances at the present time are that he will leave.

Q Do you think that was a mistake-for a Negro to try to get Mississippi integrated ahead of some other place?

A No, no. I think that's a difficult area, but Meredith decided he wanted to do it and these decisions are up to the individual.

Q What have you proved in this case?

A Well, first, we don't get into these cases unless or until there is a violation of a court order or an apparent contempt of our courts. I think we demonstrated in this case that this is a country of laws-not of men-and that the laws of the United States and the orders of the courts will be enforced.

I would point out that the Justice Department was not involved in the Meredith case until Governor Barnett invoked the discredited doctrine of "interposition," and it was apparent that efforts were to be made to interfere with federalcourt orders.

Over a three-week period, we made every effort to persuade the State officials to not interfere with the courts' orders and meet their responsibilities to maintain law and order when Meredith went to register. When the State authorities were either unwilling or unable to do so, it was necessary to send marshals and, later, troops to Oxford.

I might add that racial discrimination is the biggest internal problem that we have in the United States.

Q Can you solve it with use of military power?

A No. There was a Supreme Court decision made in 1954 that individuals, no matter what their color, have a right to go to a public school or university of their choice, and we have the responsibility to enforce the law. And the courts acted, and I think we have no other choice, whether I am Attorney General, or the attorney general of Mississippi and I change places. He would have the same responsibility —to make sure the law is enforced.

Q What did the Court decide, though? Did the Court say that you had to integrate schools, or did it just decide that you couldn't have laws separating the races or requiring

segregation?

A In the Meredith case, the federal court held that, in this particular university, Mr. Meredith should be permitted to attend. And Mississippi officials have always said in court that the university was integrated. I don't know if you're aware of that. They never claimed the University of Mississippi was other than an integrated institution. They said that they are an integrated university. It's just that they didn't happen to have a Negro at that particular time.

Q Were they turning him down on some ground other than race?

A Yes.

On the basis of his grades?

A Well, they had various reasons-they just didn't want about the need for Apply to the third of the control of the need for Apply to the surface, segrega-

"We can't accept the status quo" in race matters

tion was not the issue, as far as the University of Mississippi was concerned.

Q If he quits, will this have been a rather expensive accomplishment?

A If he stays, it's an expensive accomplishment.

Q If Mr. Meredith quits, will it make it that much more difficult to bring about such things in, say, Alabama or South

A I think it does. I think it probably does.

"A STEP BACKWARD"-

Q Is that the basis for your statement that you hoped he would stay?

A First, he made the decision to apply. A great deal of effort went into it by him, and then a great deal of effort went into it by many other people and a great deal of effort was made to enforce the law. Everybody in the United States has contributed something, because the taxpayers' money has been used. So, I would hope that Mr. Meredith would stay for all of these reasons.

I just think that we're going to have to continue to move in this very difficult area. I think a lot of people in the Southern parts of the United States accept this and acknowledge it. As we continue to move ahead, it will make it much easier in the long run if we don't take a step backward. I think Meredith's withdrawing would be a step backward.

Q Will it be as difficult the next time-another student

at the same place, one other than Meredith?

A I think that progress has been made, that there are those within the community at Oxford and elsewhere in the State now who would speak out, whereas six months ago they didn't speak out. But the report that I received is that Mr. Meredith is in a frame of mind now that makes it difficult for him to stay.

Q He told our people he was rather discouraged all

A Well, he was under a great deal of pressure. I think the fact that he lasted during that most difficult time at the beginning is a great tribute to him. And now I think having his father's house shot at, still not accepted by his fellow students, having had 400 or 500 soldiers around and having marshals-well, I, at least, found college tough enough without having all that.

Q How long will the troops stay?

A If the State of Mississippi and the law-enforcement officials and the school authorities will assume this responsibility in an orderly, dignified fashion-the responsibility of maintaining law and order, the responsibility of keeping peace on the campus—then the troops would be withdrawn immediately. It is completely up to them.

Q What is being done to bring about integration in the schools of Washington? They're resegregating at a rapid rate. All through the North that is occurring. Isn't the prob-

lem as great in the North as in the South?

A As I've always said, it's not just schools, but this whole question is a big problem in the North.

Q Might the Administration's housing order help to reverse

this resegregation?

A Well, I think a lot of different things improve the situation-whether it's going to be housing or the leadership of the President or the general acceptance by the American people. I think the situation is far better than it was 10, 20 or 30 years ago, and we're going to continue, I think, to make progress. But we have a lot of problems ahead of us in this field in the next 10 years, and they're not centered just in Mississippi.

Q The housing order had to do with those projects which are financed by the Government or supported, insured, guaranteed by the Government. Could this Government legally enforce an order having to do with housing conventionally financed, without the Government's being involved at all?

A No.

Q I'm thinking of a case where a man builds or buys a house. He goes to an insurance company and borrows the money on a mortgage-

A I don't think we'd have any authority.

Q But would you in a bank, because the bank deposits

are guaranteed by the Government?

A Well, we could have gone further, but we couldn't have gone as far as where the financing has nothing to do with Government.

Q Was there some thought of going as far as the savings and loan associations?

A There was consideration of savings and loans and there was consideration of the banks and the insurance companies -I think that we didn't have the authority in the latter case.

The problem was that we were getting into a field that was, under ordinary circumstances, left to people themselves. So we wanted to be careful on how far we went.

Q Is this order likely to be subjected to serious legal tests as to whether the Government acted within its authority?

A I think that we are on very good legal grounds. Q You couldn't do much with mutual savings banks?

A No, not as much.

Q Do you think this race issue has a bearing on the U.S.

standing in the rest of the world?

A This area has more of an effect for good or for bad in foreign affairs than any other thing-particularly in the countries of Asia and Africa, South America. We can spend a lot for the United States Information Agency, or we can spend a lot for many of these other programs—the Alliance for Progress-but when we don't meet our responsibilities here in the United States in this field, I think we take a real step back. People just can't understand the fact that we think that there is a portion of our citizenry that is inferior.

When we have an incident, it hurts. But if we have an incident and handle it properly, and try to do what is cor-

rect, I think that's acknowledged, generally.

Certainly in the Government, we should take all steps that we can take. And I think it's generally accepted by many more people in the United States than it has been in the past. I'm convinced we must meet this problem because I don't think we can ever go to the rest of the people of the world and talk about the Declaration of Independence or the Constitution and treat a portion of our population as inferior. I think that it's that simple. We can't accept the status quo on this matter.

U.S. vs. CASTRO

Q Mr. Kennedy, we were talking earlier of disappointments of the last two years. Do you want to mention Cubathe Bay of Pigs?

A I've seen in your magazine so many times so many articles about the President withdrawing "U.S. air cover,"

that I think it's important we clear that up.

Approved For Release 2006/01/03: CIA-RDP66B00403R000500120003 9

Approved For Release 2006/01/03: CIA-RDP66B00403R000500120003-9

"Danger of subversion directed by Cuba is considerable"

Burke and Allen Dulles-which investigated the Bay of Pigs invasion. I can't go into that in detail, but I can say unequivocally that President Kennedy never withdrew U.S. air cover. You, as well as others, have reported this on sevcral different occasions and it is just not true. In fact, there never were any plans made for U.S. air cover, so there was nothing to withdraw. and the second of the second second

AIR COVER: WHAT HAPPENED-

Q Was it actually air cover from Central America? A But you had "U.S. air cover." There was never any plan to have U.S. air cover, I mean it was never suggested by the military. It was never considered.

-Q-At any stage?

A In the planning it was never contemplated that there be U.S. air cover.

O Not even in the military planning?

A Absolutely not.

Q Where did control of the whole thing lie?

A Well, let's get this straight first:

The first point is that there was not U.S. air cover and none was withdrawn. In fact, the President didn't withdraw any air cover for the landing forces-U.S. or other-

What happened was this: One air attack had been made on Saturday on Cuban airports. There was a flurry at the United Nations and elsewhere and, as a result, U.S. participation in the matter was coming to the surface. This surfacing was contrary to the preinvasion plan. There was supposed to be another attack on the airports on Monday morning.

The President was called about whether another attack which had been planned should take place. As there was this stir about the matter, he gave instructions that it should not take place at that time unless those having the responsibility felt that it was so important it had to take place, in which case they should call him and discuss it further.

And that's what was postponed. It wasn't air cover of the beaches or landings. And, in fact, the attack on the airports

took place later that day.

PLANES: "INADEQUATE"—

Q Wasn't there to be air cover of the beaches from Central_America?

A That is correct—and that was not disturbed. All of the planes that were supposed to be utilized were utilized-all in the planning. I might say they proved to be inadequate. The air cover at the beaches was definitely madequatebut not because of some last-minute decision by the President or anyone else.

Q Who did the planning?

A Now, that's the third point. The President has taken responsibility for this whole matter.

Q Well, was the planning by the military, or somebody

A The plan that finally went into effect was approved by our military-the Pentagon, the Joint Chiefs of Staff, as well as the Central Intelligence Agency. This wasn't something that was planned by a few fellows over at the White House and then put in operation. However, the President had to give approval to the plan and he quite properly has accepted the responsibility.

Q There have been many reports that the military did

not approve the thing-

A As General Lemnitzer, who was Chairman of the Joint

Chiefs of Staff, has said, they did approve it, although responsibility for the planning lay primarily with the CIA.

The President had made it clear from the beginning, prior to the approval of this operation, American manpower, American air power and American ships would not be used.

And this plan had to go into effect without that. The military approved the plan that finally went into operation on that basis.

Q What accounts for the miscalculation here? You say the forces that went in were not adequate-

A I think it's a difficult question to answer-the plans and the recommendations obviously were not adequate.

Q Why were American forces there if they were not used? A The plan was that, if the invasion ships starting from Central America were sighted by a Cuban plane, or in some

fashion the Communists learned about the invasion, they were going to turn around. Our forces had permission to protect them from attack as they returned.

Q You have quoted the President as saying, "I want it understood that American forces are not going to be used, and if you still think this plan is good enough, we'll go ahead." Is that right?

A That is correct.

Q Who was it he was talking to?

A To all those who were involved in the planning. All those involved in the planning understood that American forces would not be used.

GETTING RID OF CASTRO—

Q Mr. Kennedy, carrying it one step forward, we are told now that the policy is to get rid of Castro and Communist influence in Cuba. How are you going about that?

A Well, over the period of the last year we've taken stringent, strong economic steps against Castro. We've taken steps to isolate him economically and politically, and those efforts will continue.

Q How long do you think it's going to take?

A I have no idea. However, I think Castro's position throughout the world-but particularly in South Americahas been greatly weakened in the last 15 months. He has also lost considerable support in Cuba.

Q What is being done in Latin America to curb subversion that comes out of Cuba?

A Well, we have an organization within the Government that is responsible for dealing with counterinsurgencyfocused primarily on five or six countries which are particularly vulnerable.

Q Are there subversion schools in Cuba for export to Latin America?

A Yes, and the danger of Communist subversion directed by Cuba is considerable. They bring a student or a dissatisfied political leader over to Cuba. He gets two or three months of instruction and then he goes home and he's got whatever he wants. As for arms, there are plenty of arms around that can be bought. They can furnish the money, which is not traceable.

It's clear there was a tie with Communism and Castro in the dynamiting of the oil rigs in Venezuela and also, obviously, with the people that the FBI arrested in New York in November in an anti-U.S. plot. So there might be an increase in that. But the trend at the present time seems to be a concentration on bringing Communists to Cuba for a period of time and then sending them back to put their training into operation.

"Youth crime doesn't arme from just slums"

Q Do you think it's significant?

A Oh, I do think it's very significant.

Q The scope of it?

A Oh, I do think that's significant. It poses a great danger for all these countries. However, Castro's problems have increased also. The fact that he does not have the same high position that he had a year ago or a year and a half agothat he's not considered the great savior-has had a very marked effect on those who were willing to follow him. That's been the most serious blow that has been struck against him. If the Alliance for Progress goes into operation fully, if reforms, social, economic and political, are put into effect, then Communism and Castroism will collapse in South America. However, if effort is not made and reforms are not forthcoming, we will have problems in South America even if there is no Cuba or Castro.

"MANAGED NEWS"-

Q One subject that we've heard a lot about is managed news. And somebody told us that you had been sold on the idea of managed news. What is managed news?

A 1 don't know.

Q This didn't originate with you, then?

A No. I think a person must be out of his mind if he thinks that he can manage news.

Q It has been said this is an unduly sensitive Administra-

tion-do you think so?

A No. You know, it's not the most enjoyable thing if you read something that's untrue. You just don't like it. I don't think that you would enjoy it if you were on the receiving end. But, then, newspaper people always say, "Well, why don't you get used to it and relax?"

Q Would you say that, by and large, this Administration

has had a good press-fairly friendly?

A Yes.

Are the irritations that have come been isolated?

A Yes.

Q Is it possible that you're less sensitive than your brother is?

A Well, he gets more written about him. I think probably he's a perfectionist. We concentrate on facts-they mean a great deal to us-and we think that others should do so also. It's difficult to understand it when the facts aren't reported. That's really the problem.

Q Would those facts be reported more accurately if they

were made more accessible?

A I don't think that that's the great problem in this Administration. Further, the factual inaccuracies to which I have reference are not based on a failure to make the facts available.

WAR ON CRIME

Q Mr. Attorney General, we haven't discussed crimejuvenile delinquency and so on. Is the growth of crime throughout the country a matter of concern?

A We have 5,000 young people in our federal institutions

out of about 24,000.

Q What is the youngest? Under 21?

A I believe 13.

We went to Congress Approved For Release 2006/01/03 CIA-RDP66B00403R000500120003-9

tained the passage of some legislation dealing with this problem, authorizing a maximum expenditure of 10 million

dollars a year. Obviously, 10 million dollars a year is not going to answer the problem. In New York City, seven years ago, they spent 23 million. In 1960, they spent nearly 90 million dealing with this problem. And during that period-from 1950 through 1959-the number of delinquency cases handled by children's courts went up 163 per cent.

It's notijust the expenditure of funds. What we feel is that it's attacking the problem on a broad front and having the

local community do it.

Youth crime doesn't arise from just slums. What you need is to see what has to be done in the field of housing, what has to be done in the field of education, what has to be done in the field of recreation, what has to be done in family life, what has to be done in the field of law enforcement-all of these areas plus many more.

Many communities have looked into what their problem is and they decided, "Well, we'll just go in and build better housing." And then they moved the same people in the housing. These same young people who lived in the streets, go into their apartment buildings and get into the same kinds

of problems that they got into in the streets before. Well, they say, "We'll build better schools." And that, by

itself, is not the answer.

What we have tried to do with this money is to give an incentive to a community to go out and study their problems in all of the fields. We've asked them to come in, if they're interested in this program-to come in with a plan which will attack juvenile delinquency and youth crime over a period of the next decade or so, and do it in an organized fashion and not in a haphazard, helter-skelter way.

We get 10 million dollars each year-a 30-million-dollar allocation of the Federal Government over a period of three years, and that's started in operation, and I think it's been

very successful.

One plan has gone, actually, into operation-Mobilization for Youth-up in New York City, where they put a plan into action and they are starting to work with these young people.

REDUCING DELINQUENCY-

Q In what ways?

A Well, they're working in the schools. They have an overall program for the lower East Side of New York City-and it's an area with the worst possible problems.

They've set up nurseries for the children. They've made efforts to improve education. They've gone in and worked with the young people to get them to come back to school. They've sent in people to establish a recreation program. They've started teaching youngsters a trade.

They've sent in special people to work on narcotics, because it's an area where they have great difficulty in the city

of New York.

Q What about young people who get into federal custody?

A In our federal institutions, we've set up "halfway houses" -on a trial basis so far. Young people, about 60 or 90 days before coming out of prison, will go to a "halfway house"one in New York, and one in Chicago, one in Los Angeles and a new one in Detroit-and there they will be helped in getting a job; they will be helped in what their problem is in their local community.

Ordinarily, what happens is: These young people come out

"President's popularity will have its ups and downs"

have exactly the same friends, they don't have any more chance of getting a job than when they went in.

What we try to do is to set up this institution and then help them get a job, improve their character-in other words, a start in normal life. After a week or two, they'll go out to work and come back to the institution every night. They can visit their families but they live at the "halfway house."

It has been extremely effective, based on the experience with these young people who have come in through the "halfway houses," compared to the ones who have gone out directly. It's been so effective that many of the States now are adopting this procedure and putting this kind of plan into ef-

DATA ON UNDERWORLD-

Q What of crime, generally?

A We've set up a unit within the Department of Justice made up of about 55 lawyers who have the responsibility for organized crime. Before, you had about 26 investigative units of the Federal Government. They all operated independently, but they never really pooled all the information on the big-time underworld operators.

What we have done is to bring all the investigative groups together. We have files now on the big-time gangsters and hoodlums in the United States, pooling all the informationall the information that anybody has-in one place in the Department of Justice.

Then we have branch offices in about five or six cities across the country.

It's intelligence information. It may pay off now-right now-or in five years, but all the information on all of these people who have been around for a long time, have controlled the underworld, will be available.

Q Are those people powerful?

A Oh, yes-very powerful economically, and frequently politically. And from that information, we've achieved some very important convictions: Mickey Cohen on the West Coast; Frankie Carbo, of New York, who also ran boxing on the West Coast, in Los Angeles; Alfred Sica in Los Angeles; "Buster" Wortman in East St. Louis; "Kid" Cann in Minneapolis, who controlled operations there for 30 years; "Trigger Mike" Coppola in Miami.

CRACKDOWN ON BETTING-

Q What kind of operators are these people?

A Well, the ones we are working on are major underworld hoodlums-they run gambling, for the most part. Gambling is the major source of income for organized crime.

We also, as part of this effort, were able to get seven laws passed in the last two years in Congress, which is the most crime legislation that has been passed since 1934. The result has been that the betting "wire services" across the United States, for the most part, have closed down-the one in New Orleans; the one in Newport, Ky.; the one in Minneapolis-

Q Were these race-track wires?

A Yes, and gambling information, generally. Q Are the gamblers' profits down?

A Yes. In many areas, they've had to go out of business completely.

Q Do places like Las Vegas make the job more difficult?

Q In what way? Nevada will argue with you on that-

A I think the people of Nevada should decide what they

want to do themselves. But, on the question of what effect it has on our job across the country, it makes it more difficult.

NEXT TWO YEARS

Q Turning to politics, is the race in 1964 going to be a

A Yes. Races are never easy. And then, you know, you go through cycles. The President, I think, is popular now, with Cuba and the elections and everybody being reasonably relaxed, business is doing well, all the rest. But it is inevitable that there will be some fights, and you're going to have some unpleasantness, some disorder and some disappointment, and the President's popularity will have its ups and downs.

Q At this stage, who's going to be the Republican nominee, would you guess?

A Well, I know, but I don't think he does, so I don't think I'd better sav.

Q Who, in your judgment, will make the strongest candidate for the Republicans?

A I don't think I want to get into that. We have our problems-

Q Do you think the religious issue will be a problem? A No. I suppose every factor has some effect, but I don't believe the effect will be substantial by any means.

Q In retrospect, do you think it was very important in '60?

A Yes-very.

Q How many votes, about, were affected?

A Well, I can't tell. The group that I always have some confidence in is the Survey Research Center of the University of Michigan, and I think they said it caused a net loss of about 1.5 million votes.

Q Adverse to Kennedy?

A Adverse.

Q Can you say anything about your plans about running for Governor of Massachusetts?

A I haven't any plans. I went up there and spoke once, and they said I was going to run for Governor. I spoke five or six times in Illinois, a dozen times in New York, a few times in Pennsylvania, and a half dozen times in California. and nobody suggested that I run for Governor in any of those States.

Q Wouldn't it be rather difficult to elect a Governor of Massachusetts if you have a President and a Senator from the same family?

A Yes, I think so. You mean another member of the same family, a third member, a third Kennedy? I think it would be difficult. After our younger brother was elected to the Senate, the President said, "The only trouble with that saying about 'too many Kennedys' is that they're going to start to believe it in 1964.

Q Mr. Kennedy, what accomplishments does the Administration look forward to in the next two years?

A I think to consolidate the gains that we've made, to make use of the increased prestige and position and power of the United States to make this world a little safer. And I think that a good deal needs to be done to improve the economic vitality of the United States and to move in domestic areas where we have not been successful in the past and which, because of our concentration on foreign affairs, have been ignored.

Approved For Release 2006/01/03: CIA-RDP66B00403R000500120003-9

U. S. NEWS & WORLD REPORT, Jan. 28, 1963

Needed: "greater awareness abroad of all we've done"

education. We're going to have double the number of students in our colleges alone in 1970. Much, much more needs to be done-teachers' salaries, schoolrooms, colleges, medi-

cal institutions, etc.

I think also that a good deal needs to be done for young people to increase the emphasis on finishing school, because the shortage in the United States is not of employment, but rather of skilled workers. The fact that one third of our young people now drop out of school-I think that the necessity and importance of their continuing their education and learning a trade if they don't go on to college is extremely important.

I think these are great domestic matters.

Q Do you think it's going to be possible to, generally, de-

emphasize foreign problems?

A No. I think we're just going to have a lot of problems. You get through Cuba and you've got the Congo, and you've got Berlin. Berlin can just go up any time-that problem will be with us for some time, I expect.

Then you have the problems that we have in South America, which are immense. There is Vietnam and the difficulty

in Laos. There is India and China.

I mean, you can't look at a place in the world where you could sort of sit back and say, "You don't have to look at that for another 48 hours."

Q Do you think the rest of the world recognizes all we

have done to help others abroad?

A Well, we have a special role in the world so people look to us more. They keep forgetting their own faults and they look and say, "Well, look what they're doing in the United States." That's just part of what comes with leadership.

I'd like to say this on that point: I think that, generally, there should be a greater awareness in this country-and abroad-of all that we do and all that we have done. There's too much concentration on what our faults are and what our problems are.

We go into India and help them because they are being invaded by the Chinese, and the Pakistanis get mad. And we take steps to build the Skybolt missile and then we find that it's not a success, and so it's canceled, and other people

get mad.

Everybody gets angry over what we are doing. The kind of effort that we've made over the period of the last 20 years, helping and assisting countries around the world, is something of which we should be extremely proud. I don't

think we need apologize for our record.

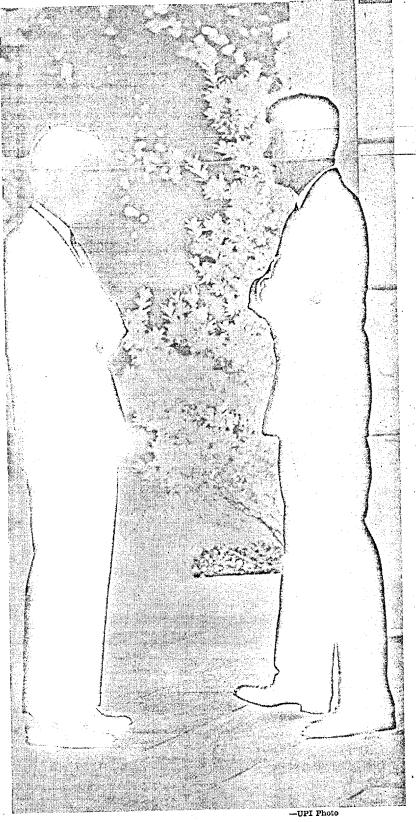
I also don't think we have to accept criticisms that are continuously leveled at us from other countries because we don't do exactly as they desire. They are interested in their countries and frequently that is their sole interest. We have other interests, other responsibilities and I don't think we have to make any apology for what we have done, what we have contributed-the effort and the sacrifice that we make.

Q Do you think we're beginning to stress that side of it

more?

A Yes, I think so. We put nations in Europe back on their feet. Look at the percentage that they are contributing to their defense. Look at our tax structure which is so extremely high, and is an honest tax structure that is enforced for all of our people. And all of these sacrifices-Americans are being killed in South Vietnam-and all for the protection and help and assistance of other people around the world.

I think that there should be more awareness of this-and those who write from abroad should make sure that there's



Robert Kennedy talks things over with his brother, the President. At midterm, the Attorney General feels that much has been accomplished—both at home and abroad—but much regreater awareness of whatpperovedingor Release 2006/01/03 meina in the next two years.

Approved For Release 2006/01/03 : CIA-RDP66B00403R000500120003-9





MEMORANDUM FOR: Mr. Paul Chretien, Assistant to the Director for Public Affairs

SUBJECT:

The Invisible Government

- 1. As you know, this Office is exploring various legal actions in connection with the publication of The Invisible Government by David Wise and Tom Ross. In addition to the more obvious criminal violations under the Espionage Act, we have discussed with various officials of the Agency possibilities of libel action being taken by officials and former officials. In this connection it will be necessary to prepare a CIA position and coordinate our analysis and conclusions with the interested officials. So that we may accurately frame the issues involved, please send a copy of your report on the book to this Office.
 - 2. If you have any questions, please call me or

JOHN S. WARNER Acting General Counsel

OGC:MCM:kma (11 May 1964)

Distribution:

Orig. & 1 - Addressee puba.

1 - Subject - OGC/LC C.R. MCM FILES

1 - MCM Signer

1 - Chrono.

1 - Ex Dir-Compt

STAT

Approved For Release 2006/0170

Next 1 Page(s) In Document Exempt